

RESOLUTION NO. _____

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS (RUNNYMEDE APARTMENTS PROJECT) SERIES 2007A AND SUBORDINATE SERIES 2007B; APPROVING THE NEGOTIATION, EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS PERTAINING THERETO; AUTHORIZING OTHER ACTIONS AND DOCUMENTS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, Austin Housing Finance Corporation (the "Corporation") has been duly created and organized by action of the City Council of the City of Austin, Texas (the "Sponsoring Governmental Unit") under the provisions of the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended (the "Act"), for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices they can afford; and

WHEREAS, the Act authorizes the Corporation to issue bonds to defray, in whole or in part, the development costs of a residential development; and

WHEREAS, the Board of Directors of the Corporation (the "Board") has determined to authorize the issuance of the Corporation's Multifamily Housing Revenue Bonds (Runnymede Apartments Project) Series 2007A (the "Series A Bonds") and Subordinate Series 2007B (the "Series B Bonds") (collectively, the "Bonds"), pursuant to and in accordance with the terms of a Trust Indenture (the "Indenture") by and between the Corporation and the trustee named therein (the "Trustee"), for the purpose of obtaining funds to finance the Project (defined below), all under and in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, the Corporation desires to loan the proceeds of the Bonds to SAAHC Runnymede, LP, a Texas limited partnership (the "Borrower"), in order to finance the costs of acquisition and rehabilitation of the residential rental project described in Exhibit A attached hereto (the "Project") located within the State of Texas and the units therein required pursuant to Section 142(d) and 145 of the Internal Revenue Code of 1986 to be occupied by persons and families of low and families of moderate income, as determined by the Corporation and pay costs of issuance of the Bonds; and

WHEREAS, the Corporation and the Borrower will execute and deliver a loan agreement (the "Loan Agreement") pursuant to which the Corporation will agree to lend funds to the Borrower to enable the Borrower to finance the Project with such obligation evidenced by one or more promissory notes (collectively, the "Note"); and

WHEREAS, it is also anticipated that the Borrower will execute and deliver one or more deeds of trust, security agreements, assignments of rents, and fixture filings (collectively, the "Mortgage") pursuant to which the Borrower will grant a lien upon and security interest in the respective properties in favor of the Corporation and the Trustee as security for, among other things, the performance of the Borrower's obligations under the Loan Agreement and the Corporation will assign its interest in the Project to the Trustee pursuant to an assignment of lien and security interest from the Corporation to the Trustee (the "Assignment"); and

WHEREAS, the Board has determined that the Corporation, the Trustee and the Borrower will execute a regulatory agreement and declaration of restrictive covenants (the "Regulatory Agreement"), with respect to the

Project which will be filed of record in the real property records of the county in which the Project is located; and

WHEREAS, the Board has further determined that the Corporation will enter into a bond purchase agreement (the "Bond Purchase Agreement") with the Borrower and America First Tax Exempt Investors, L.P. or an affiliate thereof (the "Bond Purchaser"), setting forth certain terms and conditions upon which the Bond Purchaser will purchase the Bonds from the Corporation and the Corporation will sell the Bonds to the Bond Purchaser, and

WHEREAS, the Board has examined proposed forms of the Indenture, the Loan Agreement, the Note, the Assignment, the Regulatory Agreement and the Bond Purchase Agreement (the "Bond Documents"); has found the form and substance of the Bond and the Bond Documents to be satisfactory and proper and the recitals contained to be true, correct and complete; and has determined to authorize the issuance of the Bonds, the execution and delivery of the Bond Documents and the taking of such other actions as may be necessary or convenient in connection therewith; **NOW THEREFORE**,

BE IT RESOLVED BY THE BOARD OF THE AUSTIN HOUSING FINANCE CORPORATION:

Section 1.1 - Issuance, Execution and Delivery of the Bonds. That the issuance of the Bonds is hereby authorized, under and in accordance with the conditions set forth in the Indenture, and that, upon execution and delivery of the Indenture, the authorized representatives of the Corporation named in the Resolution each are authorized hereby to execute and attest the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to deliver the Bonds to the order of the Bond Purchaser pursuant to the Bond Purchase Agreement. The aggregate principal amount of the Series A Bonds is \$ _____ and the Series B Bonds is \$ _____. The interest rate for the Series A Bonds is _____% per annum and the Series B Bonds is _____% per annum.

Section 1.2 - Approval, Execution and Delivery of the Indenture. That the negotiation and execution of the Indenture is approved, and that the authorized representatives of the Corporation named in this Resolution each

are authorized to execute and attest the Indenture and to deliver the Indenture to the Trustee.

Section 1.3 - Approval, Execution and Delivery of the Loan Agreement, the Note, the Assignment and Regulatory Agreement; Acceptance of Mortgage. That the negotiation and execution of the Loan Agreement, the Note, the Assignment, and the Regulatory Agreement are approved, and that the authorized representatives of the Corporation named in this Resolution each are authorized to execute and attest the Loan Agreement and the Regulatory Agreement; provided further that the negotiation and acceptance of the Mortgage is hereby approved and accepted by the Corporation and that the authorized representatives of the Corporation named in this Resolution each are authorized to execute and attest any instruments in connection with the Mortgage.

Section 1.4 - Approval, Execution and Delivery of the Bond Purchase Agreement. That the sale of the Bonds to the Bond Purchaser is hereby approved, that the negotiation and execution of the Bond Purchase Agreement is approved solely with respect to the Bonds, and that the authorized representatives of the Corporation named in this Resolution each

are authorized to execute and attest the Bond Purchase Agreement solely with respect to the Bonds and to deliver the Bond Purchase Agreement to the Borrower and the Bond Purchaser solely with respect to the Bonds.

Section 1.5 - Execution and Delivery of Other Documents. That the authorized representatives of the Corporation named in this Resolution each are authorized hereby to negotiate, execute, attest and affix the Corporation's seal to such other agreements, commitments, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, notices of acceptance, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution (the "Other Documents").

Section 1.6 - Power to Negotiate the Form of Documents. That, notwithstanding any other provisions of this Resolution, the authorized representatives of the Corporation named in this Resolution each are authorized hereby to make or approve such revisions in the Bonds, the Bond Documents and the Other Documents as, in the judgment of such authorized representative or authorized representatives, and in the opinion of McCall,

Parkhurst & Horton L.L.P. and Rafael Quintanilla, Co-Bond Counsel to the Corporation, may be necessary or convenient to carry out or assist in carrying out the purpose of this Resolution, such approval to be evidenced by the execution of such documents by the authorized representatives of the Corporation named in this Resolution.

Section 1.7 - Authorized Representatives. That the President, Vice President, Secretary and General Manager are hereby named as authorized representatives of the Corporation for purposes of executing, attesting, affixing the Corporation's seal to, and delivering the documents and instruments referred to herein.

ADOPTED: _____, 2007 **ATTEST:** _____
Shirley A. Gentry
City Clerk

The Project

A residential rental development located at 1101 Rutland Drive, Austin, Texas, having 108 one-bedroom, 50 two-bedroom and 34 three bedroom rental units for a total of 252 rental units.